



For Immediate Release
May 24, 2007

Contact: Carol Guthrie (Baucus) 224-4515
Steven Broderick (Rockefeller) 224-6101

**SENATORS RETAIN EMERGENCY FUNDS FOR CHILDREN'S HEALTH
IN SECOND SUPPLEMENTAL SPENDING BILL**

Funds will cover CHIP shortfalls, keep states from cutting kids' medical coverage

Washington, DC – Senate Finance Committee Chairman Max Baucus (D-Mont.) and Health Subcommittee Chairman John D. Rockefeller (D-W.Va.) have again secured authorization for emergency funding for the Children's Health Insurance Program (CHIP) in the supplemental spending bill. Currently, as many as 11 states expect to run out of the Federal money they need to provide CHIP coverage and health care to kids in the coming months. At the Senators' urging, the year's second supplemental spending bill will provide whatever funds are needed to ensure that states will not be forced to cut children from CHIP this year due to Federal funding shortfalls.

"States are getting perilously close to cutting kids out of health coverage, so the President needs to get these emergency funds on the ground quickly," said Baucus. **"As the Finance Committee renews and improves CHIP for the next decade, we'll set new funding levels that won't leave states in shortfall. But in the meantime, the money in this bill can keep the promise of the Children's Health Insurance Program."**

"I can't think of a better use for emergency funds than bringing peace of mind to families who rely on health care coverage through CHIP" Rockefeller said. **"Senator Byrd and the Appropriations Committee should be commended for putting our children first and providing states the resources they need to continue providing access to health insurance for our kids."**

The Center for Medicare and Medicaid Services (CMS) has reported that remaining 2007 The supplemental spending bill allows for as much as \$650 million in Federal CHIP funds to cover those gaps. However, the Congressional Budget Office says that the net Federal cost of emergency CHIP funding for this year could be as low as \$396 million, because spending these dollars on CHIP will mean savings for Medicaid, which would have incurred costs covering children kicked out of the CHIP program.

The Children's Health Insurance Program currently provides health coverage to 6.6 million American children. About six million more children are eligible for health coverage through public health programs such as CHIP, but are not enrolled. The program expires on September 30, 2007, and must be renewed by that time. The Finance Committee has jurisdiction over the CHIP program, and Baucus has made its renewal and expansion the Committee's number-one health priority this year.

“Moving forward, as we turn our attention to reauthorizing CHIP, Senator Baucus and I are deeply committed to making sure that we never have a repeat of this shortfall crisis,” Rockefeller said. “Working together, I know we’ll be able to find a way to maintain existing CHIP coverage, while delivering health insurance to million more children throughout the nation.”

“Senator Byrd and the Appropriations Committee have shown the right priorities again in this spending bill,” said Baucus. “Helping kids keep their health care is a matter of urgent need. Working together to keep the CHIP program whole for the next decade, and to reach millions more uninsured children who need health care, will be the Finance Committee’s biggest mission in the coming weeks.”

#